Unclaimed insurance dues

*93. SHRI SANTOSH BAGRODIA:
SHRI HARISH RAWAT:

Will the Minister of FINANCE be pleased to state:

(a) what is the amount of unclaimed insurance dues in the last five years; and

(b) how have these resources been utilized or proposed to be utilized?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) As reported by LIC, the unclaimed insurance dues in the last five years are as under:

Year	Amount in crore (Rs.)
	23.55
2001-02	53.63
2002-03	37.58
2003-04	37.63
2004-05	71.22

(b) LIC has informed that unclaimed insurance dues are treated as income and transferred to the Life Fund, which is invested as per IRDA (Investment) Regulations 2000. This Fund is valued at the end of every year to calculate the annual valuation surplus which is distributed between policyholders and shareholders in the ratio of 95 to 5 under Section 28 of the LIC Act 1956.

Inclusion of Orissa in APEX Scheme

*94. SHRI B.J. PANDA:
MS.PRAMILA BOHIDAR:

Will the Minister of CIVILAVIATION be pleased to state:

(a) whether it is a fact that Indian Airlines has excluded Orissa from the APEX Fare except for Bhubaneswar-Mumbai sector;

(b) whether the State Government has requested for inclusion of

Bhubaneswar-Delhi and Bhubaneswar-Kolkata sector as well in the above scheme with adequate justification; and

(c) if so, the status of the proposal and the time-frame within which it would be approved to help the air passengers from Orissa?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) to (c) With the introduction of 'EASY FARES' with effect from 5th July, 2005 the APEX fares have ceased to exist. Mumbai-Bhubaneswar and Kolkata-Bhubaneswar are the sectors with have been covered under the Easy Fares Scheme.

Rate of interest on home loans

*95. SHRI ABU ASIM AZMI: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India proposes to increase the rate of interest on home loans;

(b) if so, since when it is proposed to be increased;

(c) the extent to which it shall have an adverse effect on the persons who have taken such loans; and

(d) steps to be taken by Government to protect the common man from the builders?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (d) Interest rates on advances above Rs. 2 lakh have been deregulated. These interest rates are determined by the banks themselves with the approval of their Boards. In order to enhance transparency in bank's pricing of the loan products, banks have been advised to fix their Benchmark Prime Lending Rate (BPLR) after taking into account considerations such as actual cost of funds, operating expenses, minimum margin to cover regulatory requirement of provisioning/capital charge and profit margin. Accordingly, banks are now fixing interest rates to be charged to a particular borrower subject to BPLR and spread guidelines. However, banks are free to charge interest on housing loans without reference to their BPLR. Therefore, the rate of interest on housing loans may be below or above the BPLR. Banks also have freedom to offer loans on floating rates by using market benchmarks in a transparent manner.